

**BY US CERTIFIED MAIL**

**To the Board of Directors of ABT Holdings:**

Shahan Ohanessian  
Mahesh Shetty  
Lance Brinker

Cc: Gil Cabrera, Esq., The Cabrera Firm, APC  
Kenneth Bart, Esq.  
Dick Dolan, Noteholder, Shareholder  
Javan Khazali  
Marc J. Ross, Esq.,  
Henry Niser  
Neal Kaufman, Hillair Capital  
William B. Barnett, Esq.

Please be informed that unilateral action dated March 14, 2017, taken by Mr. Shahan Ohanessian (Mr. Ohanessian) by invoking Article 10 (3) of ABT Holdings, Inc. (aka Scoobeez Global, Inc., "ABT") Articles of Incorporation is invalid. This action is binding only in the absence of fraud. Further, this action by Mr. Ohanessian is in violation of 2011 Idaho Code, Title 30, Chapter 1, Part 7, 30-1-704, Action Without Meeting.

This document covers all major items, events, discussions (non-exhaustive) relating to unauthorized transfer of monies by Mr. Ohanessian from ABT and Scoobeez business account to - **Business Account xxx-xxx-4724**, where he is the ultimate beneficial owner.

**Discoveries and Findings by Imran Firoz**

On March 1, 2017, Justin Cary, CPA reported a major difference between balance sheet of ABT (Loan Receivable from Scoobeez) and Scoobeez, Inc. (Loan Payable to ABT).

From March 3 to March 4, 2017, upon further investigation conducted by me as the CFO of the Company, it was evident that Mr. Ohanessian transferred a total sum of \$1,698,500 from ABT Business Account xxx-xxx-7830 (\$2,000) and Scoobeez Business Account xxx-xxx-1330 (\$1,696,000) to his **Business Account xxx-xxx-4724**.

Please note, Mr. Ohanessian is the ultimate beneficiary owner of this **Business Account xxx-xxx-4724** account. I've documented details of these transfers to **Business xxx-xxx-4724** documented in **Exhibit A**.

As the CFO and Director of the Company, I asked Mr. Ohanessian for the explanation for these transfers. On March 5, 2017, Mr. Ohanessian provided view access to Business xxx-xxx-4724 accounts, and following conclusions were made:

- a) Mr. Ohanessian made a collective payments of \$149,012 to Enterprise Rent-A-Car, San Antonio (Business Expense). There were no other significant business related expenses from this account.
- b) Mr. Ohanessian transferred \$390,580 from Business xxx-xxx-4724 to his personal Premier Checking xxx-xxx-2672.
- c) Mr. Ohanessian made a collective cash withdrawn of \$715,006 at Wynn Hotel, Las Vegas.

- d) Mr. Ohanessian made a collective cash withdrawn of \$473,699 at various Wells Fargo Branches.
- e) The balance on the account was a combination of bank fees, ATM fees, funds transferred to Scoobeez Business Account xxx-xxx-1330 and ending balance.

I recorded these cash withdrawals as a shareholder loan taken (or owed) by Mr. Ohanessian until the Company, and the Board come to a proper resolution.

**Meeting with Hillair Capital Pasadena, CA and Newport Beach, CA**

Mr. Ohanessian and I met with Neal Kaufman, Partner/Founding Member of Hillair Capital dated 02/10/17 at 396 S. Pasadena, Pasadena, CA 91105. At the end of the meeting Neal Kaufman wanted to have further discussion on Company's plan to raise additional capital from public market. Neal Kaufman requested a follow up meeting on March 8, 2017, to understand the revenue/hub model of Scoobeez (Exhibit B). In his email, he asked of us to provide him profitability of the Company at the hub and corporate level, and a general update on 10-K and Form 10. On March 8, 2017, at Duke Hotel, Newport Beach, Juniper Boardroom – following individuals attended the meeting to discuss items listed in Exhibit B:

Mr. Ohanessian (ABT), Imran Firoz (ABT), Neal Kaufman (Hillair), Sean McAvoy (Hillair) and Javan Khazali (Independent/friend).

From Scoobeez balance sheet, it was self evident that Mr. Ohanessian unilaterally took a shareholder loan of significant amount. During the meeting, I disclosed all of the above findings to Hillair Capital, including the Company's inability to meet its short term and long term obligations. Among many things, these discussions included Company's ability to meet obligations with other account payables, noteholders – Avitus Group, Mr. Dick Dolan's and Mr. Peter Rosenthal's note. At the end of the meeting, all parties in principle agreed that Hillair may consider (not obligated to) additional working capital in the Company as a 'white knight' if Company's Board make certain necessary changes. Hillair made these recommendations to keep the market integrity, protect all shareholders from potential unlawful activities, act on its own fiduciary responsibilities and comply with all legally binding clauses in the convertible debenture and stock purchase agreement. Hillair capital infusion was also conditioned upon the economic viability of Company's business model. From March 9 to March 13, a significant work was done between Hillair and myself to evaluate commercial viability of the Company.

On March 9, 2017, I informed Mahesh Shetty, Board Member of ABT and provided him of my findings and instructed him to contact and inform Lance Brinker, Board Member of ABT. I further explained to Mahesh Shetty briefly the 'white knight' offer from Hillair.

All parties (including Mr. Ohanessian) agreed that the following actions should be taken:

- a) Shoushana and Shahan Ohanessian's resignation from the Board of ABT and CEO of ABT and Scoobeez respectively. (03/10/17, signed and notarized)
- b) Appoint Javan Khazali to the Board as the fifth member. (03/13/17, Board Meeting held on the phone in the presence of Marc Ross and Henry Niser as witnesses)
- c) Appoint Imran as the interim CEO of ABT/Scoobeez. (03/13/17, Agreed by all parties in a Board Meeting held on the phone in the presence of Marc Ross and Henry Niser as witnesses)

- d) To remove access of Mr. Ohanessian, Shoushana Ohanessian, and Minas Sarafian from all Company's Bank accounts to avoid potential unauthorized transactions.
- e) To give access to all bank accounts to Imran Firoz, and to Mahesh Shetty in due course to implement proper checks and balances

**Known and Unknown Negative Impact of These Unauthorized Transactions**

As a result of these unauthorized transactions, the Company is unable to account for \$1,579,285. Therefore, the Company will not be able to complete its Fiscal 2016 audit by April 14, 2017. If the Company is unable to become a fully reporting company, it will impede its chances to raise necessary capital from the public and private markets. The Company has to withdraw its Form 10 to avoid being in violation of the Securities Exchange Act of 1934.

There is a strong possibility that our auditor DBB McKennon may withdraw their opinion on fiscal 2014 and 2015 audit and review of nine-month period ending September 30, 2016, including the Form 10. Moreover, due to these unauthorized off balance sheet transactions, the Company financial reporting to the general public would not have been accurate. For example, \$149,012 was paid from Business xxx-xxx-4724 to Enterprise Rent-A-Car, San Antonio. The Company is not aware of these expenses as of 10/01/16 since these are being deducted from Business xxx-xxx-4724. This will cause our Cost of Sales and Net Operating Loss to be understated by this amount.

As a publicly trading company, it is our responsibility to keep the integrity of the public market. Mr. Ohanessian's actions have created legal and reputational liability to the Company, the Board and me.

Further, these activities violated several covenants of Hillair Convertible Debenture dated 10/07/16 and 01/31/17. These violations will trigger not only Hillair conversion, diluting all existing shareholders, but also create a total asset lien on the Company and its subsidiaries. Further, it will result in legal and reputational harm to the Company, the Board and its Officers which at minimum could be more than Hillair's face value of the note, accrued interest, and penalties (>\$10,000,000).

Because of these unauthorized transfers, the Company did not have available cash from 10/16 to 03/17, despite receiving close to \$5 million and \$2 million from Hillair Debenture dated 10/07/16 and 01/31/17. The Company was unable to meet following business activities:

- a) Working Capital
- b) Payment Due salaries (See below),
- c) Payment Outstanding loans/interests of Mr. Dick Dolan and Mr. Peter Rosenthal, and
- d) Payment Outstanding balance with Avitus, Scoobeez's Professional Employer Organization.

Due to lack of availability of funds, Mr. Ohanessian took 17 high interest cash advances loans on ABT (5) and Scoobeez (12). He gave personal guarantees to many of these loans with affidavit of advanced judgment taken against him and the Company should there be a default. These loans caused the Company close to \$2 million in fees and interest payments. Mr. Ohanessian was made aware that any loan which is more than \$50,000 during normal course of business will violate Hillair Convertible Debenture dated 10/07/16. Mr. Ohanessian and Neal Kaufman had the similar conversation before Hillair invested additional monies in 01/31/17. However, Mr. Ohanessian continued to claim that if he did not take these loans and pay Avitus, then Avitus will not make payroll to our employees, which includes Drivers, Officer Staff, Dispatchers, and others. Company funds were available in Mr. Ohanessian's account Business xxx-xxx-4724. At this moment, I'm unable to assess the financial and legal liability of the Company in line with various state and federal labor laws.

To make the matter worse, Mr. Ohanessian transferred funds from his personal/business account back to the Company's (ABT/Scoobeez) from January 2017 to date (See Exhibit C). He claimed that this is his loan to the Company. Regardless of one's intention and money returned, this creates a misleading information on our financial reporting.

**Immediate Remedies**

- a) As per Article X, due to fraudulent, unauthorized transactions on Company's business account, the email dated 03/14/17 by Gil Cabrera is invalid as it is in direct violation of our Articles of Incorporation (See attached).
- b) Both Mahesh Shetty and I are still the Directors of the Company.
- c) Due to above discoveries and findings, any actions by Mr. Ohanessian invoking Article 10 (3) as the majority shareholder is null and void.
- d) The Company needs to take necessary actions to remove Officers and Individuals who have caused harm to the Company.
- e) The Company to commence negotiating terms with Hillair Capital to continue as a going concern.
- f) If this issue is not resolved internally between the Board, Mr. Ohanessian and Hillair Capital and follow the US laws, I will have no choice but to inform proper regulatory and relevant authorities, including but not limited to Securities Exchange Commission, FINRA, IRS and the US Postal Inspectors.

**Termination of Imran Firoz as the CFO**

Based on the above findings and discoveries, my termination as the CFO of the Company by Mr. Ohanessian constitutes unlawful retaliation and wrongful termination. The Company and the Board is hereby informed that Federal law protects me from such retaliation, or revenge, for participating in protected activities, such as reporting unlawful activities or participating in an investigation into the practices of the employer.

I strongly believe that my discoveries as the CFO on activities of Mr. Ohanessian is both reasonable and in good faith for all concerned. I believe these activities by Mr. Ohanessian is in violation of our by-laws, articles of incorporation, tax codes, mail and wire fraud, the Patriot Act which amends the Bank Secrecy Act and IRS tax fraud.

I'm further stating that the Company owes me unpaid salaries from both ABT and Scoobeez as below:


- a) Net = \$281,433 from January 2012 to March 14, 2017, for services rendered to ABT as its Officer (CEO from January 2012 to May 2015, and CFO from May 2015 to March 2017).
- b) Net = \$277,500 from August 2015 to March 14, 2017, for services rendered to Scoobeez as its CFO and Director.

**Total Unpaid Salary = \$558,933**

- c) The past few days have caused an emotional distress. I take my fiduciary responsibility very seriously and execute my duties with extreme pride in being an officer of a publicly traded company.

I urge the Board to take necessary actions immediately to secure the financial wellbeing of the Company and restore the integrity of its business and protect its stakeholders. Further, I would appreciate if my unpaid salaries are paid in full by March 22, 2017, and I'm also open to a reasonable payment plan.

Yours truly,

A handwritten signature in cursive script, reading "Imran Firoz".

(Imran Firoz)

## **EXHIBIT A**

### **RED FLAG REPORT**

#### **BACKGROUND**

ABT Holdings, Inc. ("ABT") is a holding company that has ~ 90% equity interest in Scoobeez, Inc ("Scoobeez").

Scoobeez is the only operating entity of ABT as of fiscal year ended 12/31/16. There are two operating units of Scoobeez:

- **Scoobeez (Enterprise)**, which mainly deals with B2B side of the business and includes clients like Amazon, Yelp – Eat 24 and Thistle.
- **Scoobeez (Glendale)**, which is Scoobeez legacy business and includes local business customers in the GTLA are.

#### **KEY PERSONNEL**

Shahan Ohanessian, CEO, Director of ABT and Scoobeez

Imran Firoz, CFO, Director of ABT and Scoobeez

Justin Cary, CPA (external), Consolidated Financial Statements, Account Notes

Diane Horm, Accounts Receivables, Revenues, Cost of Sales

Tanya Saucedo, Bookkeeper, Account Payables/Expenses Entries

#### **Auditors – DBBMckennon**

Russ Boyer, Partner

Marianne D'Elia, Manager

**BANKING**

**ABT** has only one checking account at Wells Fargo, [REDACTED] 7830. Imran Firoz opened the account in January 2012.

At present, Shahan Ohanessian (CEO) and Imran Firoz (CFO) have complete access and authority to manage this account. There are two debit cards assigned to these individuals.

Bookkeepers have view only access to this account.

**Scoobeez Enterprise** (Main account for Amazon related transactions) has only one checking account at Wells Fargo, [REDACTED] 1330. Shahan Ohanessian opened the account in August 2015, after the acquisition of Scoobeez by ABT.

At present, Shahan Ohanessian (CEO), Minas Sarafian (Accountant at Scoobeez) have complete access and authority to manage this account. There are two debit cards assigned to these individuals.

**Imran Firoz and Bookkeepers** have view only access to this account.

**Scoobeez Glendale** has only one checking account at US Bank, [REDACTED] 1330. Grigori Sedrakyan/Beno Art (founders of Scoobeez) opened the account in January 2015.

At present, Grigori Sedrakyan has complete access and authority to manage this account.

**[This account is immaterial for this report]**

**EVENT 1 – 02/28/17, Completion of Books for Fiscal 2016**

ABT finished its Form 10 filings on 02/14/17. From 02/15/17 to 02/28/17, staff completed books for both ABT and Scoobeez (including Glendale) for fiscal year ended 2016.

Subsequently, financial statements were handed to Justin Cary to consolidate financial statements of ABT, Scoobeez Enterprise, Scoobeez Glendale.



**EVENT 2 – 03/01/17, Error in Loan Elimination between Funds Transferred From ABT to Scoobeez**

**From:** Justin Cary [mailto:jcary.cpa@gmail.com]  
**Sent:** Wednesday, March 1, 2017 11:31 PM  
**To:** imran@scoobeez.com  
**Subject:** FS status

Hi Imran. I've put together a consolidation for the entities and it appears there will be some work related to reconciling the intercompany accounts. The main difference is the following:

Per ABT loan to Scoobeez: \$5,559,029  
Per Scoobeez loan from ABT: \$3,159,029

That's a difference of \$2.4M. That one may be easy but there is also some other various entries that I'll need to track down and reconcile from other intercompany accounts, including booking the non-controlling interest income from 2015 in the main Scoobeez entity. Please let me know though if you know offhand what the aforementioned \$2.4M variance is when you're available.

Justin Cary, CPA  
307 32<sup>nd</sup> Street  
Newport Beach, CA 92663  
Phone: 269-209-7566  
[JCary.CPA@gmail.com](mailto:JCary.CPA@gmail.com)

**From:** Imran - Scoobeez [mailto:imran@scoobeez.com]  
**Sent:** Thursday, March 2, 2017 12:56 AM  
**To:** Justin Cary <jcary.cpa@gmail.com>  
**Cc:** Diane - Scoobeez <diane@scoobeez.com>  
**Subject:** RE: FS status

Thank you. Let me have a look; the loan should be \$5,559,029 on Scoobeez books.

Imran

Sent via the Samsung Galaxy S7 edge, an AT&T 4G LTE smartphone

**EVENT 3 – 03/03/17, Imran Firoz evaluated the discrepancy of \$2.4 million**

**Shahan transferred \$1,000,000 from ABT Account (xxx-7830) to Scoobeez (xxx-1330) from Hillair 1 funding.**

|            |         |                                      |                         |            |
|------------|---------|--------------------------------------|-------------------------|------------|
| 10/20/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>██████7830 | 500,000.00 |
| 10/31/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>██████7830 | 250,000.00 |
| 11/04/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>██████7830 | 250,000.00 |

The above transfers were misclassified to Avitus Payroll Credit. So there was no foul.

However, upon reviewing the details in QuickBooks, the remaining balance of \$1.4 million (as of 12/31/16) was transferred to an account named 'AutoClaim, Inc. Business ██████4724'. This account belongs to Shahan Ohanessian.

Details of these transfers to AutoClaim, Inc. Business xxx-4724 is documented below (See AutoClaim Inc.xls).

| Posted Transactions |  | Debit      | Credit      |
|---------------------|--|------------|-------------|
| 3/2/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB037JLDHL ON 03/01/17   |            | \$2,000.00  |
| 2/28/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB0377W6RG ON 02/27/17   |            | \$5,000.00  |
| 2/22/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB036TXMB8 ON 02/22/17   |            | \$5,000.00  |
| 2/17/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB036JFZZT ON 02/17/17   |            | \$3,000.00  |
| 2/10/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB035WM255 ON 02/10/17   |            | \$10,000.00 |
| 2/7/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB035PCWML ON 02/07/17   |            | \$5,000.00  |
| 1/30/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB034YQ3FF ON 01/30/17   |            | \$10,000.00 |
| 1/17/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB034CZ8BZ ON 01/16/17   |            | \$40,000.00 |
| 1/17/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB034CFLZC ON 01/15/17   |            | \$40,000.00 |
| 1/10/2017           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBENC6RWZP ON 01/10/17   |            | \$40,000.00 |
| 1/4/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBER86SYDM ON 01/04/17   |            | \$10,000.00 |
| 1/3/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBER86HGRY ON 01/03/17   |            | \$30,000.00 |
| 1/3/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEY28WCTS ON 01/01/17   |            | \$50,000.00 |
| 1/3/2017            | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEY28PDDG ON 12/31/16   |            | \$30,000.00 |
| 1/3/2017            | ONLINE TRANSFER FROM AUTOCLAIM, INC. BUSINESS<br>CHECKING XXXXXX4724 REF #IBESTVLZCT ON 01/03/17 | \$5,000.00 |             |

| Posted Transactions |  | Debit      | Credit         |
|---------------------|--|------------|----------------|
| 12/30/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEGJ245YS ON 12/30/16 |            | \$50,000.00    |
| 12/28/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV56FKJ9 ON 12/28/16 |            | \$20,000.00    |
| 12/21/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBY26KV3X ON 12/21/16  |            | \$35,000.00    |
| 12/16/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEQRP29K ON 12/16/16  |            | \$25,000.00    |
| 12/15/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBER7ZNS48 ON 12/14/16 |            | \$25,000.00    |
| 12/14/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBESTPM6TG ON 12/14/16 |            | \$75,000.00    |
| 12/12/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV52GS66 ON 12/11/16 |            | \$85,000.00    |
| 12/7/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB033J39KS ON 12/07/16 |            | \$5,000.00     |
| 12/5/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IB033GYBVH ON 12/05/16 |            | \$5,000.00     |
| 11/14/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBER7QLZKQ ON 11/13/16 |            | \$15,000.00    |
| 11/14/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV4RWJ38 ON 11/12/16 |            | \$20,000.00    |
| 11/14/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV4RNWNL ON 11/11/16 |            | \$30,000.00    |
| 11/9/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEQG4NMK ON 11/09/16  |            | \$50,000.00    |
| 11/9/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBESTDKG55 ON 11/08/16 |            | \$50,000.00    |
| 11/4/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBENBLQRV2 ON 11/04/16 |            | \$10,000.00    |
| 11/1/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEST9TN36 ON 11/01/16 |            | \$30,000.00    |
| 10/31/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV4N2RFX ON 10/31/16 |            | \$60,000.00    |
| 10/31/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEV4MWTX8 ON 10/31/16 |            | \$50,000.00    |
| 10/21/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEST6YQS6 ON 10/21/16 |            | \$40,000.00    |
| 10/20/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBECM9QVBL ON 10/20/16 |            | \$60,000.00    |
| 10/20/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBECM9K6RS ON 10/20/16 |            | \$60,000.00    |
| 10/19/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEX4TFGQ ON 10/19/16  |            | \$50,000.00    |
| 10/17/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEFKNYGY ON 10/17/16  |            | \$20,000.00    |
| 10/17/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEX3YNPZ ON 10/15/16  |            | \$40,000.00    |
| 10/17/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBECM8DZ4K ON 10/15/16 |            | \$50,000.00    |
| 10/17/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEXZJZVYW ON 10/15/16 |            | \$50,000.00    |
| 10/14/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEGJ9DMNV ON 10/14/16 |            | \$100,000.00   |
| 10/11/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEF9SJXN ON 10/11/16  |            | \$30,000.00    |
| 10/11/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBENBBYQ92 ON 10/10/16 |            | \$30,000.00    |
| 10/11/2016          | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBT7TL855G ON 10/09/16 |            | \$40,000.00    |
| 10/7/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBENBBHKMR ON 10/07/16 |            | \$50,000.00    |
| 10/6/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEQ4533P ON 10/06/16  |            | \$45,000.00    |
| 10/4/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEGJ6BDMW ON 10/03/16 |            | \$20,000.00    |
| 10/3/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBEGJ62PXF ON 10/03/16 |            | \$20,000.00    |
| 10/3/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBER7BCP2J ON 10/02/16 |            | \$25,000.00    |
| 9/26/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBE2WVL24M ON 09/25/16 |            | \$20,000.00    |
| 9/26/2016           | ONLINE TRANSFER TO AUTOCLAIM, INC. BUSINESS CHECKING<br>XXXXXX4724 REF #IBECLWQ6Z ON 09/25/16  |            | \$25,000.00    |
| Totals              |  | \$5,000.00 | \$1,695,000.00 |

**EVENT 4 – 03/03/17, Shahan asked to provide explanation for these transfers to his business account.**

**From:** Scoobeez - Imran [mailto:imran@scoobeez.com]  
**Sent:** Friday, March 3, 2017 9:06 AM  
**To:** 'shahan@scoobeez.com' <shahan@scoobeez.com>  
**Subject:** Auto Claim Transfers

Hi Shahan:

These are transfers from Scoobeez to AutoClaim Inc. for over \$1.6 million

What are these for and what is this AutoClaim Inc. business checking account? This does not make any sense.

Imran

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Shahan claimed the funds from these accounts are used for Business purposes:

- a) Enterprise Rentals
- b) Payments to Technology Team (Roman/Steven/Sytepoint)
- c) Client entertainment

Shahan did not provide access to this bank account as of 03/04/17.

Since I had no access to this account, I confirmed with Roman/Steven if they have received funds from Business Account xxx-xxx-4724. Roman confirmed that he has never received payments from this account. Steven has received \$1,200.00 in July 2015:

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**From:** Roman Tsarovsky [mailto:roman@scoobeez.com]  
**Sent:** Saturday, March 4, 2017 9:53 AM  
**To:** Scoobeez - Imran <imran@scoobeez.com>  
**Subject:** Re: Payments Received

Yes confirmed!

Thank you,

Roman Tsarovsky  
Cell: (818) 606-9522

On Mar 4, 2017, at 7:00 AM, Scoobeez - Imran <[imran@scoobeez.com](mailto:imran@scoobeez.com)> wrote:

Hi Roman:

Thank you for the breakdown and details of the invoices needed for our audit. It also confirms that you (dba Appeni – IT Company) have not received any payments from the AUTOCLAIM, INC. BUSINESS CHECKING XXXXXX4724 below for development of AutoClaim App, Beezkeeper/Instabeez, and any other projects on behalf of ABT/Scoobeez since September of 2016.

All the payments you have received are from Scoobeez WF Business Account – xxx-xxx-1330.

Please confirm.

Best,

**Imran Firoz – CFO**

p: 844-Scoobeez

w: [www.Scoobeez.com](http://www.Scoobeez.com)

Los Angeles

m: 818-300-5792

e: [imran@scoobeez.com](mailto:imran@scoobeez.com)

---

**From:** Steven Karapetyan [mailto:steven@sytepoint.com]  
**Sent:** Saturday, March 4, 2017 10:14 AM  
**To:** Scoobeez - Imran <imran@scoobeez.com>  
**Subject:** Re: Sytepoint Expenses - From Business Checking xxx-xxx-4724

Hi Imran,

From what I have on file, there is one check from AUTOCLAIM, INC. – 4724

Check No: 1001

To: BizCrate (previous business)

Date: 07/11/2015

Amount: 1,200

Steven Karapetyan - Designer, Developer

--

Sytepoint / 323.988.5600

At 06:00 PM, after making several requests via text and on the phone, Imran Firoz officially sent the request to Shahan as per following email:

**From:** Scoobeez - Imran [mailto:imran@scoobeez.com]  
**Sent:** Friday, March 3, 2017 6:01 PM  
**To:** 'Shahan@Scoobeez.com' <Shahan@Scoobeez.com>  
**Subject:** RE: Unaccounted Funds from ABT/Scoobeez

Shahan:

I confirm the \$1 million cash withdrawn on 10/20/16, 10/31/16 and 11/04/16 from ABT is accounted and recorded in Scoobeez account.

I need full access to AutoClaim Business account, where the total transfer of \$1,695,000 from Scoobeez Account has taken place for the period from 09/26/16 to 03/03/17. We need to know how and where the monies were spent from that account so that our true income statement and the balance sheet is reported to the auditors. This is an off balance sheet transaction and needs to be disclosed in our filings.

You need to inform the Board on how much money has been spent on AutoClaim App development, as this money has to be added to the book value of the App to obtain fair value.

ABT acquired the App in May 2015, with the premise that App was ready for launch with the beta testing (software developed, UI completed, back-end completed, a database developed, etc.). Based on these claims, the Company (ABT) issued \$500,000 note, 150 million common stock, and 18.6 million preferred stock. I think the Board and I would like to know what level the App was in May 2015 (the date of Acquisition).

Best,

Imran

**EVENT 4 – 03/04/17, Meeting Shahan, Imran and Javan at Shahan's Residence from 02:00 PM to 06:00 PM**



**EVENT 5 – 03/05/17, Shahan provided view only access to his account AutoClaim, Inc. Business xxx-4724. Transaction details in Checking XXX-XXX-4724.xls.**

**SUMMARY REPORT:**

|  | Debit     | Credit    | UBO <sup>(1)</sup> |
|--|-----------|-----------|--------------------|
| <b>Event 1 (From 09/01/16 to 03/08/17)</b>                         |           |           |                    |
| Funds Transfer from Scoobeez Checking Account xxx-xxx-1330         | 1,696,500 |           | Scoobeez           |
| Funds Transfer to Shahan/AutoClaim Checking Account xxx-xxx-4724   |           | 1,696,500 | Shahan             |
|  | 1,696,500 | 1,696,500 |                    |
| <b>Event 2 (From 09/01/16 to 03/08/17)</b>                         |           |           |                    |
| Funds Transfer from Shahan/AutoClaim Checking Account xxx-xxx-4724 | 1,696,500 |           | Shahan             |
| Funds from Shahan Personal Account (Premier Checking xxx-xxx-2672) | 16,110    |           | Shahan             |
| Funds from ABT Holdings (Business Checking xxx-xxx-7830)           | 2,800     |           | Shahan             |
| Funds Deposited by Shahan (Source Unkown)                          |           |           | Shahan             |
| Funds to Shahan Personal Account (Premier Checking xxx-xxx-2672)   |           | 390,580   | Shahan             |
| Cash Withdrawal by Shahan at Wynn                                  |           | 715,006   | Shahan             |
| ATM Fees at Wynn   |           | 10,774    | Wynn               |
| Cash Withdrawal by Shahan at the Branch                            |           | 473,699   | Shahan             |
| <b>Business Related</b>  |           |           |                    |
| Funds Transfer to Scoobeez Checking Account xxx-xxx-1330           |           | 5,000     | Scoobeez           |
| Enterprise   |           | 149,012   | Enterprise         |
| Bank Fees  |           | 121       | Wells Fargo        |
| Ending Balance   | 28,782    |           |                    |
|  | 1,744,192 | 1,744,192 | 0                  |

**2011 Idaho Code**  
**TITLE 30 CORPORATIONS**  
**CHAPTER 1 GENERAL BUSINESS CORPORATIONS**

**PART 7. SHAREHOLDERS**  
**30-1-704 ACTION WITHOUT MEETING.**

Universal Citation: ID Code § 30-1-704 (2011 through Reg Sess)

30-1-704. Action without meeting. (1) Action required or permitted by this chapter to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by all the shareholders entitled to vote on the action. The action must be evidenced by one (1) or more written consents bearing the date of signature and describing the action taken, signed by all the shareholders entitled to vote on the action, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.

(2) If not otherwise fixed under section 30-1-703 or 30-1-707, Idaho Code, the record date for determining shareholders entitled to take action without a meeting is the date the first shareholder signs the consent under subsection (1) of this section. No written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the earliest date appearing on a consent delivered to the corporation in the manner required by this section, written consents signed by all shareholders entitled to vote on the action are received by the corporation. A written consent may be revoked by a writing to that effect received by the corporation prior to the receipt by the corporation of unrevoked written consents sufficient in number to take corporate action.

(3) A consent signed under this section has the effect of a meeting vote and may be described as such in any document.

(4) If this chapter requires that notice of proposed action be given to nonvoting shareholders and the action is to be taken by unanimous consent of the voting shareholders, the corporation must give its nonvoting shareholders written notice of the proposed action at least ten (10) days before the action is taken. The notice must contain or be accompanied by the same material that, under this chapter, would have been required to be sent to nonvoting shareholders in a notice of meeting at which the proposed action would have been submitted to the shareholders for action.

**From:** Justin Cary  
**To:** [Imran@scoobeez.com](mailto:Imran@scoobeez.com)  
**Subject:** FS status  
**Date:** Wednesday, March 1, 2017 11:31:40 PM

---

Hi Imran. I've put together a consolidation for the entities and it appears there will be some work related to reconciling the intercompany accounts. The main difference is the following:

Per ABT loan to Scoobeez: \$5,559,029  
Per Scoobeez loan from ABT: \$3,159,029

That's a difference of \$2.4M. That one may be easy but there is also some other various entries that I'll need to track down and reconcile from other intercompany accounts, including booking the non-controlling interest income from 2015 in the main Scoobeez entity. Please let me know though if you know offhand what the aforementioned \$2.4M variance is when you're available.

Justin Cary, CPA  
307 32<sup>nd</sup> Street  
Newport Beach, CA 92663  
Phone: 269-209-7566  
[JCary.CPA@gmail.com](mailto:JCary.CPA@gmail.com)

**From:** Imran - Scoobeez  
**To:** Justin Cary  
**Cc:** Diane - Scoobeez  
**Subject:** RE: FS status  
**Date:** Thursday, March 2, 2017 12:55:38 AM  
**Attachments:** Untitled attachment 02150.txt  
Untitled attachment 02153.txt  
Untitled attachment 02156.htm  
Untitled attachment 02159.txt

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Thank you. Let me have a look, the loan should be \$5,559,029 on Scoobeez books.

Imran

Sent via the Samsung Galaxy S7 edge, an AT&T 4G LTE smartphone

**From:** Scoobeez - Imran  
**To:** ["shahan@scoobeez.com"](mailto:shahan@scoobeez.com)  
**Subject:** Auto Claim Transfers  
**Date:** Friday, March 3, 2017 9:05:00 AM  
**Attachments:** [AutoClaim Inc..xlsx](#)

---

Hi Shahan:

These are transfers from Scoobeez to AutoClaim Inc. for over \$1.6 million

What are these for and what is this AutoClaim Inc. business checking account? This does not make any sense.

Imran

From: Scoobeez - Imran  
To: "Shahan@Scoobeez.com"  
Subject: RE: Unaccounted Funds from ABT/Scoobeez  
Date: Friday, March 3, 2017 6:00:00 PM  
Attachments: [image002.png](#)  
[image004.png](#)  
[image006.png](#)

Shahan:

I confirm the \$1 million cash withdrawn on 10/20/16, 10/31/16 and 11/04/16 from ABT is accounted and recorded in Scoobeez account.

I need full access to AutoClaim Business account, where the total transfer of \$1,695,000 from Scoobeez Account has taken place for the period from 09/26/16 to 03/03/17. We need to know how and where the monies were spent from that account so that our true income statement and the balance sheet is reported to the auditors. This is an off balance sheet transaction and needs to be disclosed in our filings.

You need to inform the Board on how much money has been spent on AutoClaim App development, as this money has to be added to the book value of the App to obtain fair value.

ABT acquired the App in May 2015, with the premise that App was ready for launch with the beta testing (software developed, UI completed, back-end completed, a database developed, etc.). Based on these claims, the Company (ABT) issued \$500,000 note, 150 million common stock, and 18.6 million preferred stock. I think the Board and I would like to know what level the App was in May 2015 (the date of Acquisition).

Best,

Imran

From: Shahan@Scoobeez.com [mailto:Shahan@Scoobeez.com]  
Sent: Friday, March 3, 2017 4:07 PM  
To: Scoobeez - Imran <imran@scoobeez.com>  
Subject: Re: Unaccounted Funds from ABT/Scoobeez

10/31/2016 - Money transferred from ABT to Scoobeez

| Date  | Check Number | Description  | Deposits/<br>Credits | Withdrawals/<br>Debits | Ending daily<br>balance |
|-------|--------------|--|----------------------|------------------------|-------------------------|
| 10/31 |              | Deposit Made In A Branch/Store   | 260,000.00           |                        |                         |
| 10/31 |              | Purchase authorized on 10/26 Omni Fort Worth Fort Worth TX<br>8586298704050203 Card 5837 |                      | 1,055.87               |                         |

\$500K transferred from ABT to Scoobeez

|       |  |  |            |       |  |
|-------|--|--|------------|-------|--|
| 10/20 |  | Purchase Return authorized on 10/19 Southwest 528245<br>800-435-8782 TX 8820294548280623 Card 1303 | 544.88     |       |  |
| 10/20 |  | Deposit Made In A Branch/Store   | 500,000.00 |       |  |
| 10/20 |  | Purchase authorized on 10/17 Omni Fort Worth Fort Worth TX<br>S308280818101444 Card 5837           |            | 18.72 |  |

11/4

\$250 K transferred from ABT to Scoobeez

|      |  |  |            |       |  |
|------|--|--|------------|-------|--|
| 11/4 |  | Purchase Return authorized on 11/02 Wynn Las Vegas Hot<br>702-770-2540 NV 8828309647025053 Card 1303 | 185.88     |       |  |
| 11/4 |  | Deposit Made In A Branch/Store   | 250,000.00 |       |  |
| 11/4 |  | Purchase authorized on 11/02 Wynn Las Vegas Hot 702-770-2540<br>NV 8386305044976621 Card 1303        |            | 10.16 |  |

Thanks

Shahan - Scoobeez Global  
Cell: (818) 400-0338  
Office: 844-Scoobeez

Email: [Shahan@Scoobeez.com](mailto:Shahan@Scoobeez.com)  
Website: [www.Scoobeez.com](http://www.Scoobeez.com)



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On Friday March 3, 2017, at Friday 3:36 PM, Scoobeez - Imran <[imran@scoobeez.com](mailto:imran@scoobeez.com)> wrote:

Hi Shahan:

WF called and confirmed the Branch and address where these withdrawals were made:

10/20/16 – Las Vegas Tower, 3800 Howard Hughes Parkway, Las Vegas, NV 89169, Shahan Ohanessian (WF Branch)

10/31/16 - 250,000 3433 S. Maryland Parkway, Las Vegas, NV 89169, Shahan Ohanessian (WF Branch)

11/04/16 - 250,000, 201 Main Street, Fort Worth, Texas 76102, Shahan Ohanessian (WF Branch)

I'm sure it matches with your travel itinerary.

Are you sure that you still did not withdraw these monies?

Best,

Imran

From: Scoobeez - Imran [<mailto:imran@scoobeez.com>]  
Sent: Friday, March 3, 2017 3:14 PM  
To: 'shahan@scoobeez.com' <[shahan@scoobeez.com](mailto:shahan@scoobeez.com)>  
Subject: RE: Unaccounted Funds from ABT/Scoobeez

Hi Shahan:

Wells Fargo just confirmed that Shahan Ohanessian withdrew the monies in cash on 10/20/16, 10/31/16 and 11/04/16.

I will go to the bank tomorrow to get this confirmation in writing.

Imran

From: Scoobeez - Imran [mailto:imran@scoobeez.com]  
Sent: Friday, March 3, 2017 12:58 PM  
To: 'shahan@scoobeez.com' <shahan@scoobeez.com>  
Subject: Unaccounted Funds from ABT/Scoobeez

Hi Shahan:

We need to account for these funds that were withdrawn by you:

From ABT Account after Hillair 1 funding = \$1,000,000:

|            |         |                                      |                              |            |
|------------|---------|--------------------------------------|------------------------------|------------|
| 10/20/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>[REDACTED] 830  | 500,000.00 |
| 10/31/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>[REDACTED] 7830 | 250,000.00 |
| 11/04/2016 | Expense | WITHDRAWAL MADE IN A<br>BRANCH/STORE | 10000 WF-<br>[REDACTED] 7830 | 250,000.00 |


Scoobeez did not receive the above funds.

Transfer to AutoClaim Inc./Shahan Account Business Checking xxx4724: \$1,695,000

Total = \$2,695,000.

Please provide details of this transaction and view only access to account 4724.

Best,



Imran Firoz - CFO  
p: 844-Scoobeez  
w: [www.Scoobeez.com](http://www.Scoobeez.com)

Los Angeles  
m: 818-300-5792  
e: [imran@scoobeez.com](mailto:imran@scoobeez.com)



**From:** Roman Tzarovsky  
**To:** Scoobeez - Imran  
**Subject:** Re: Payments Received  
**Date:** Saturday, March 4, 2017 9:52:52 AM

**Yes confirmed!**

Thank you,

**Roman Tsarovsky**  
**Cell: (818) 606-9522**

On Mar 4, 2017, at 7:00 AM, Scoobeez - Imran <[imran@scoobeez.com](mailto:imran@scoobeez.com)> wrote:

**Hi Roman:**

Thank you for the breakdown and details of the invoices needed for our audit. It also confirms that you (dba Appeni – IT Company) have not received any payments from the AUTOCLAIM, INC. BUSINESS CHECKING XXXXXX4724 below for development of AutoClaim App, Bëezkeeper/Instabeez, and any other projects on behalf of ABT/Scoobeez since September of 2016.

All the payments you have received are from Scoobeez WF Business Account – xxx-xxx-1330.

**Please confirm.**

**Best,**

**<image001.png>** | **Imran Firoz – CFO**  
**p: 844-Scoobeez**  
**w: [www.Scoobeez.com](http://www.Scoobeez.com)**

Los Angeles  
m: 818-300-5792  
e: [imran@scoobeez.com](mailto:imran@scoobeez.com)

you are not the intended audience of this letter. I am writing to you because I believe you are the only person who can help me. I am writing to you because I believe you are the only person who can help me. I am writing to you because I believe you are the only person who can help me.

**From:** Roman Tsarovsky [<mailto:roman@scoobeez.com>]  
**Sent:** Friday, March 3, 2017 9:06 PM  
**To:** Imran Scoobeez <[imran@scoobeez.com](mailto:imran@scoobeez.com)>  
**Subject:** Payments Received

Hello,

please find the breakdown.

Sent with Unibox

**From:** Steven Karapetyan  
**To:** Scoobeez - Imran  
**Subject:** Re: Sytepoint Expenses - From Business Checking xxx-xxx-4724  
**Date:** Saturday, March 4, 2017 10:14:15 AM  
**Attachments:** [image001.png](#)

---

Hi Imran,  
From what I have on file, there is one check from AUTOCLAIM, INC. – 4724  
Check No: 1001  
To: BizCrate (previous business)  
Date: 07/11/2015  
Amount: 1,200

Steven Karapetyan - Designer, Developer

--  
[Sytepoint](#) / 323.988.5600

---

**From:** Scoobeez - Imran <[imran@scoobeez.com](mailto:imran@scoobeez.com)>  
**Date:** Saturday, March 4, 2017 at 6:50 AM  
**To:** Steven Karapetyan <[steven@sytepoint.com](mailto:steven@sytepoint.com)>  
**Subject:** Sytepoint Expenses - From Business Checking xxx-xxx-4724

Hi Steven:

I hope you are doing well.

Please email me total funds received by Sytepoint or you from AutoClaim Business Account ending as:  
AUTOCLAIM, INC. BUSINESS CHECKING XXXXXX4724

If you have not received any payments from the above account, please let me know. I do have all the payments from Scoobeez WF account ending xxx-xxx-1330 to Sytepoint.

Best,



Imran Firoz – CFO  
p: 844-Scoobeez  
w: [www.Scoobeez.com](http://www.Scoobeez.com)

Los Angeles  
m: 818-300-5792  
e: [imran@scoobeez.com](mailto:imran@scoobeez.com)

**From:** Neal Kaufman  
**To:** Imran Firoz; Shahan Ohanessian  
**Cc:** Vienna Chen; Sean M. McAvoy  
**Subject:** Meeting tomorrow (Wed)  
**Date:** Tuesday, March 7, 2017 9:46:55 PM  
**Attachments:** image001.png

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Shahan / Imran

Tomorrow I should be available around 11am, and I'll come right to the meeting. I have a hard stop at 3pm for a Board Call, so – if it's okay with you guys – it would be great if I could use the conference room for that call.

In addition to reviewing the financials (income statement, balance sheet) for 2016 and Jan / Feb 2017, I am especially interested in understanding the economics of each of the 4 major locations: Chicago, LA, SF, Texas. I would like to see projections for March for each location:

- Number of routes (Same Day, Next Day, 10 hour and 6 hour)
- Revenue per route from Amazon
- Revenue from Amazon for dispatchers and fuel (does this match the actual expenditures in each location?)
- Driver compensation per hour (how much the drivers receive, and then fully loaded with benefits and workman's comp)
- Fuel and maintenance costs
- Personnel in each region - # of dispatchers, admin, etc., and monthly cost per employee fully loaded with benefits. Total personnel costs per region
- This should give us the amount of profit / loss that we have per region at an operational level
- Then, it would be good to understand the corporate costs (payroll, rent, etc.). This should take into account the impact of allocating benefits and workmans comp to the regions.

Look forward to seeing you guys tomorrow.

Thanks  
NK

**Neal Kaufman**

*Partner / Founding Member*



**HILLAIR  
CAPITAL**

NealK@HillairCapital.com

415-420-8600

**From:** Neal Kaufman  
**To:** Shahan Ohanessian; Imran Firoz  
**Cc:** Javan Khazali; Sean M. McAvoy; Neal Kaufman  
**Subject:** Path forward for ABOT / Hillair  
**Date:** Thursday, March 9, 2017 11:55:46 AM  
**Attachments:** Image001.png

---

Shahan and Imran

Thank you for taking the time to meet with Sean and I yesterday in Irvine, CA. It was helpful to get an update on the situation at ABOT, and hopefully we can work together to build a successful business.

Hillair is interested in working on a follow-up investment in ABOT, if the following measures are taken by Friday, March 9, we could start working on docs early next week with the objective of formalizing the transaction as soon as possible:

- Shahan resigns as CEO, and Imran is appointed interim CEO
- Shahan's wife resigns from the Board of Directors
- Shahan contributes at least \$170,000 to ABOT between March 9 and March 14, which can be returned upon successful completion of the larger investment by Hillair
- Shahan will be removed from having signatory power on any ABOT bank accounts, including all subsidiaries. The signatory power will only reside with Imran, one other Board member, and any other people in the finance department identified by Imran and approved by the independent Board members.

Upon successful negotiation with Amazon regarding the go forwards payment terms such that the company generates cash on a go forwards basis, the terms below cover the key points of a follow-on investment:

- Hillair would have the right to invest additional capital (amount to be determined based on Amazon arrangement, analysis of financial model, Board approval) to enable ABOT to continue to grow. In exchange for the investment, Hillair would:
  - Receive preferred stock that would convert into 55% of the common stock of the company. This preferred stock would have an 8% PIK coupon, and would have 2 4 to 1 voting rights.
  - Hillair's debentures would remain in place
- Shahan's arrangement would be as follows:
  - Shahan would convert all preferred shares into common, and would surrender all of his shares such that he had 25% of the outstanding common shares after the conversion of the Hillair preferred shares
    - Shahan would have the option to purchase shares representing up to 10% of the Hillair shares at a fixed price, to be mutually determined
  - Shahan would receive a cash salary as Chairman, at a level of at least \$180,000 per year